# ESG IS CORE TO OUR GROWTH

## Promises Delivered for Customers, People and Planet



# CAUTIONARY STATEMENT

**Forward-Looking Information:**

This communication contains forward looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements regarding our financial and business performance and prospects, including the impact of the coronavirus outbreak, the impact of our programs, our ESG initiatives, investments in technologies, macro trends and long-term potential of our business, new business and innovation. These statements are based on the current expectations of management of the Company. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. These risks and uncertainties are set forth in our most recent Form 10-K, Form 10-Q and other public filings with the Securities and Exchange Commission (the "SEC") and include the impact of the coronavirus outbreak; the vitality of the markets we serve, including the impact of worldwide economic factors such as the worldwide economy, credit markets, interest rates and foreign currency risk; our ability to execute key business initiatives, exposure to economic, political and legal risks related to our international operations; the costs and effects of complying with laws and regulations relating to our operations; the occurrence of litigation or claims; and other uncertainties or risks reported from time to time in our reports to the SEC. In light of these risks, uncertainties and factors, the forward-looking events discussed in this communication may not occur. We caution that undue reliance should not be placed on forward-looking statements, which speak only as of the date made. Ecolab does not undertake, and expressly disclaims, any duty to update any forward-looking statement except as required by law.

**Non-GAAP Financial Information:**

This communication includes Company information that does not conform to generally accepted accounting principles (GAAP). Management believes that a presentation of this information is meaningful to investors because it provides insight with respect to ongoing operating results of the Company and allows investors to better evaluate the financial results of the Company. These measures should not be viewed as an alternative to GAAP measures of performance. Furthermore, these measures may not be consistent with similar measures provided by other companies. Reconciliations of non-GAAP measures to GAAP results are available in our most recent Form 10-K, Form 10-Q and other of our SEC filings.

**Industry and Market Information:**

Industry and market information, including market data, contained in this communication are based on management's current estimates of potential opportunities of Ecolab. These estimates have been made in good faith based on management's knowledge and, in some cases, upon industry surveys and other publicly available information. You are cautioned not to give undue weight to such estimates, and we have not verified the accuracy or completeness of these estimates and information through independent sources.

# AGENDA

- How ESG drives our business
- Delivering on our promises
  - Environment
  - Social
  - Governance
- Sustaining growth by doing good
- Q&A



**CHRISTOPHE BECK**
CHAIRMAN, CHIEF EXECUTIVE OFFICER & PRESIDENT



**EMILIO TENUTA**
SENIOR VICE PRESIDENT & CHIEF SUSTAINABILITY OFFICER



**LAURIE MARSH**
EXECUTIVE VICE PRESIDENT, HUMAN RESOURCES



**MIKE MCCORMICK**
EXECUTIVE VICE PRESIDENT, GENERAL COUNSEL AND SECRETARY

# ADDRESSING GLOBAL NEEDS

## WATER STRESS



**56%**
**freshwater deficit**
by 2030

## FOOD SHORTAGE



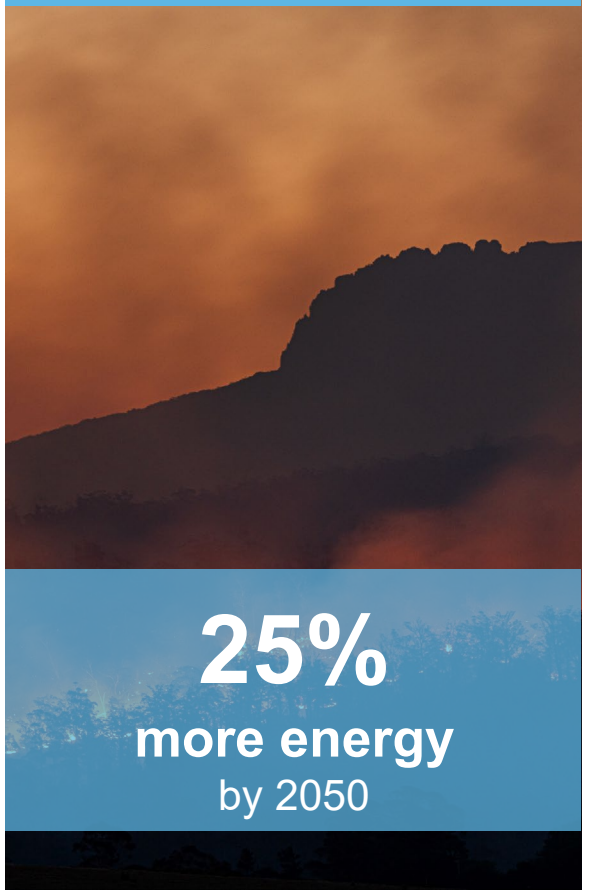
**35%**
**more food**
by 2050

## PUBLIC HEALTH



**30%**
**more people**
by 2050

## CLIMATE CHANGE



**25%**
**more energy**
by 2050

# SIGNIFICANT GLOBAL REACH

## WATER

**1.1 TRILLION**
GALLONS MANAGED

## FOOD



**36%**
GLOBAL FOOD SUPPLY PROTECTED

## HEALTH



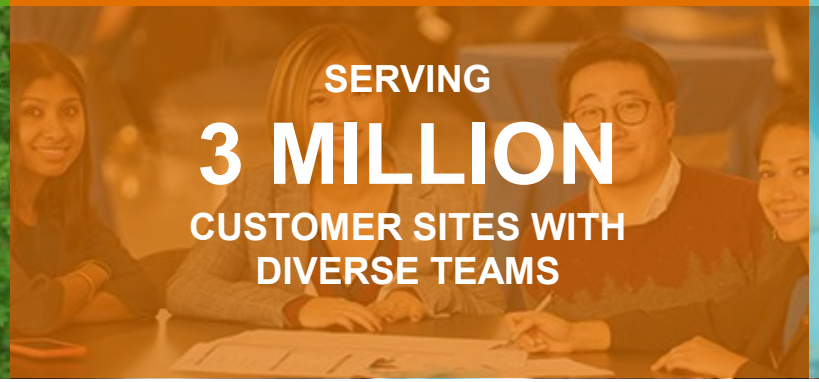
**66 BILLION**
HANDS CLEANED

## CLIMATE



**20%**
WORLD'S POWER GENERATED

## SOCIETY



SERVING
**3 MILLION**
CUSTOMER SITES WITH DIVERSE TEAMS

## STAKEHOLDERS



IMPACTING LIVES IN
**170+**
COUNTRIES

# WINNING VALUE PROPOSITION






BREAKTHROUGH TECHNOLOGY

ON-SITE EXPERTISE

## BEST RESULTS AT LOWEST TOTAL COST

(By reducing environmental impact)

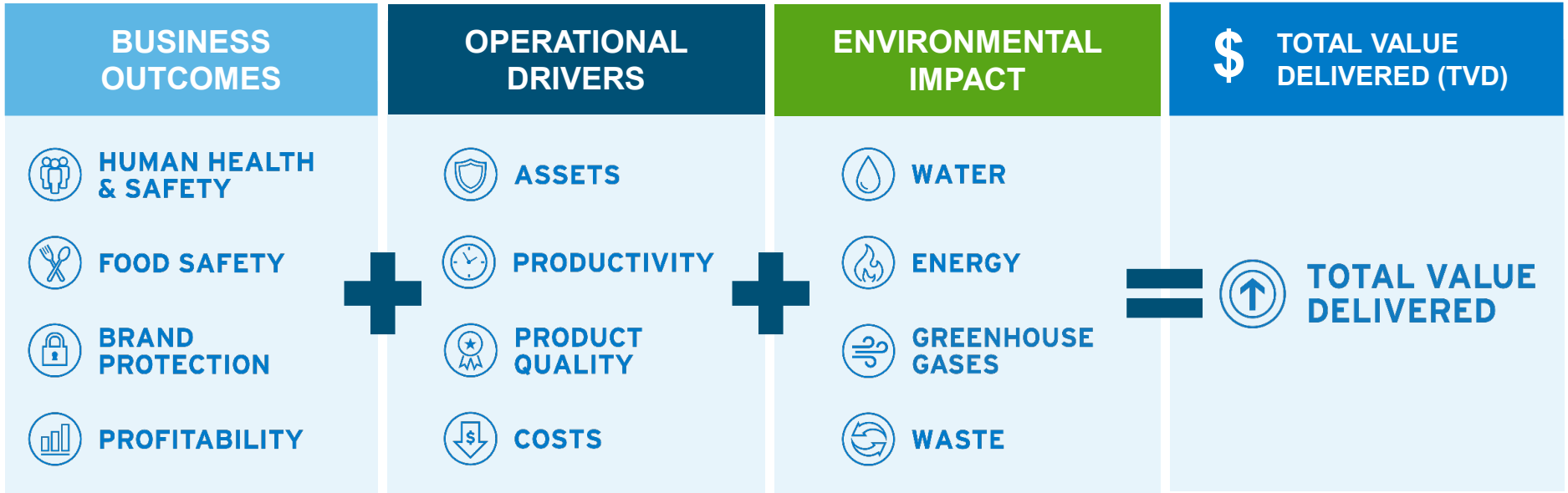
GLOBAL KNOW-HOW

PREDICTIVE INSIGHTS





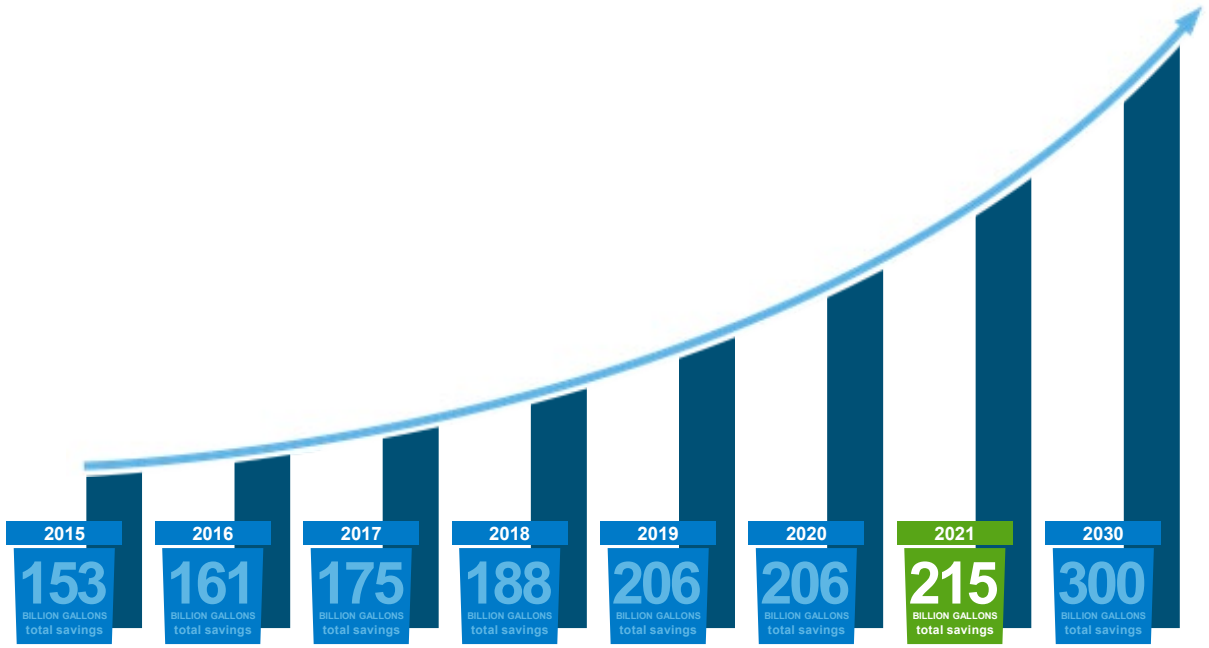

# SUSTAINABILITY AT HIGH BUSINESS RETURN




eROI℠ by Ecolab = (ENERGY + WASTE + COSTS + WATER) / Investment in Ecolab > 25% Return for customers

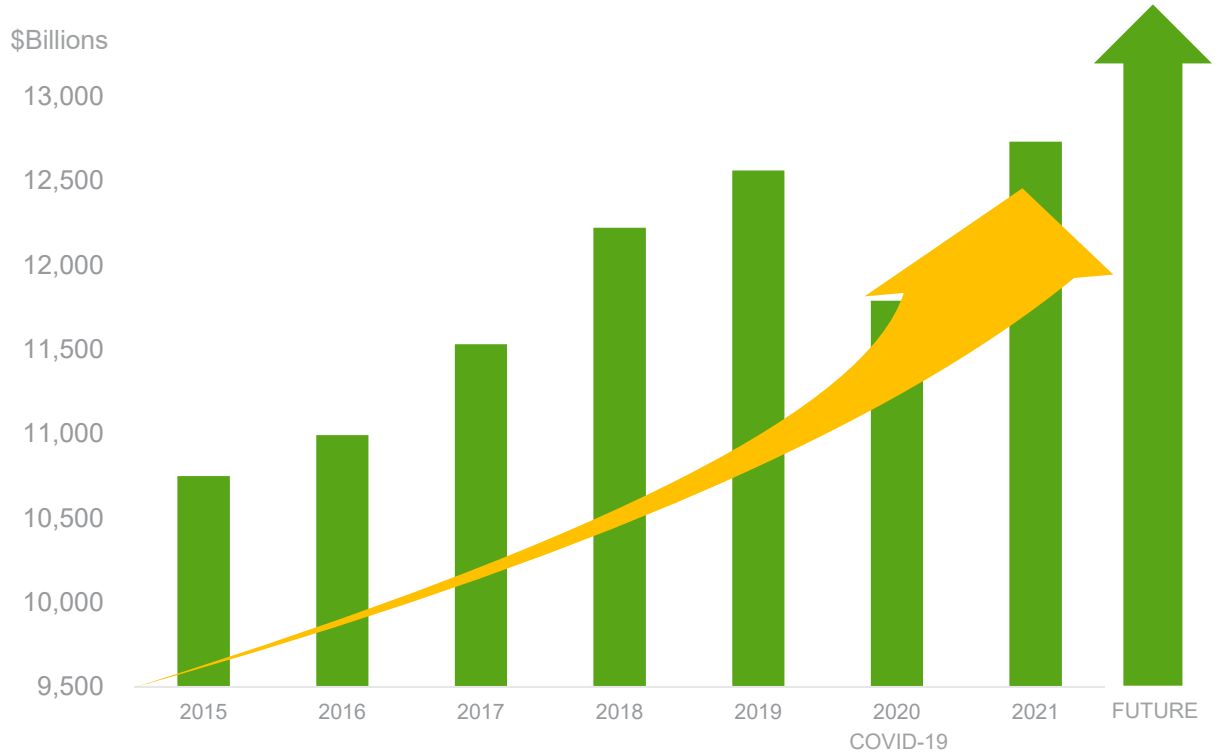
# GROWING FAST BY GROWING OUR IMPACT

## WATER SAVINGS




Saving water equaling the annual drinking water needs of **more than 1 billion people**

## SALES (Adjusted)*




*Continuing operations sales growth, excluding ChampionX

# HELPING CUSTOMERS DELIVER ON THEIR PROMISES


























































# JOURNEY TO 2030




EMILIO TENUTA
Chief Sustainability Officer

# ESG LEADERSHIP IN ACTION

SUSTAINABLE DEVELOPMENT GOALS

BUSINESS AMBITION FOR 1.5°C

**Aligned to Global Commitments**




**WEF Stakeholder Capitalism Metrics**

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

**Advancing Our Climate Disclosure**



**100% RE Goal 2030 Europe Wind Farm In Finland**



**Workforce Demographics Data**



**Supplier Diversity Goals**




**Employee-led Global Sustainability Network Launch**




**Water Resilience Coalition**

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

DiversityInc 2022 TOP 50 COMPANIES FOR DIVERSITY®

CDP DISCLOSURE INSIGHT ACTION A LIST 2021

WATER

CDP DISCLOSURE INSIGHT ACTION A LIST 2021

CLIMATE

WORKING MOTHER 100 BEST COMPANIES 2020

3BL MEDIA 100 BEST CORPORATE CITIZENS 2021

# CONVENING ACTION ON WATER FOR ALL

UN GLOBAL COMPACT | WATER RESILIENCE COALITION

**30 COMPANIES, $3.5 TRILLION MARKET CAP**

**GOALS (BY 2050):**

1. Net Positive Water Impact
2. 100 basins impacting 3 billion people
3. Water access for 300 million people

**PILLARS:**

1. The Pledge
2. Conservation
3. Access
4. Advocacy

*"150 of the world's companies can positively influence one-third of global freshwater use."*

3M, ABInBev, Bayer, Cargill, Braskem, Colgate-Palmolive, Cummins, Danone, Diageo, DuPont, Dow, Ecolab, Gap Inc., GSK, Heineken, Holcim, IHG Hotels & Resorts, Jacobs, Kurita, Keurig Dr Pepper, LG, Levi Strauss & Co., Microsoft, Mars, PVH, Reckitt, Starbucks, Woolworths, Phosagro, The Coca-Cola Company

# SUSTAINABLE, ECONOMIC OUTCOMES

## IN OUR OWN OPERATIONS



**Embodying corporate responsibility and sustainability in our own operations**

+

## THROUGH OUR CUSTOMERS



**Driving exponential operational and sustainability results with our customers**

# DELIVERING ON OUR PROMISE IN OUR OPERATIONS

## 2030 goals:

### WATER

2030 GOAL

**50%**

reduction in overall water impact

### CLIMATE

2030 GOAL

**50%**

reduction in $CO_2e$

### DIVERSITY, EQUITY, AND INCLUSION

2030 GOAL

**35% and 25%**

management level gender and ethnic/racial diversity, respectively

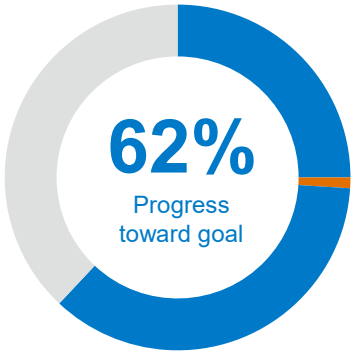
### SAFETY

**GOAL ZERO**

## As of 2021, we:

reduced overall water impact by

**25%**




reduced $CO_2e$ by

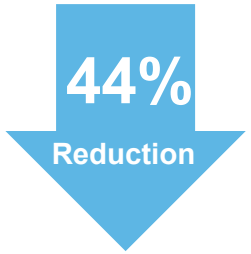
**28%**




grew management level gender and ethnic/racial diversity, respectively, to

**26% and 19%**




in Total Recordable Injury Rate (TRIR) since 2013, globally

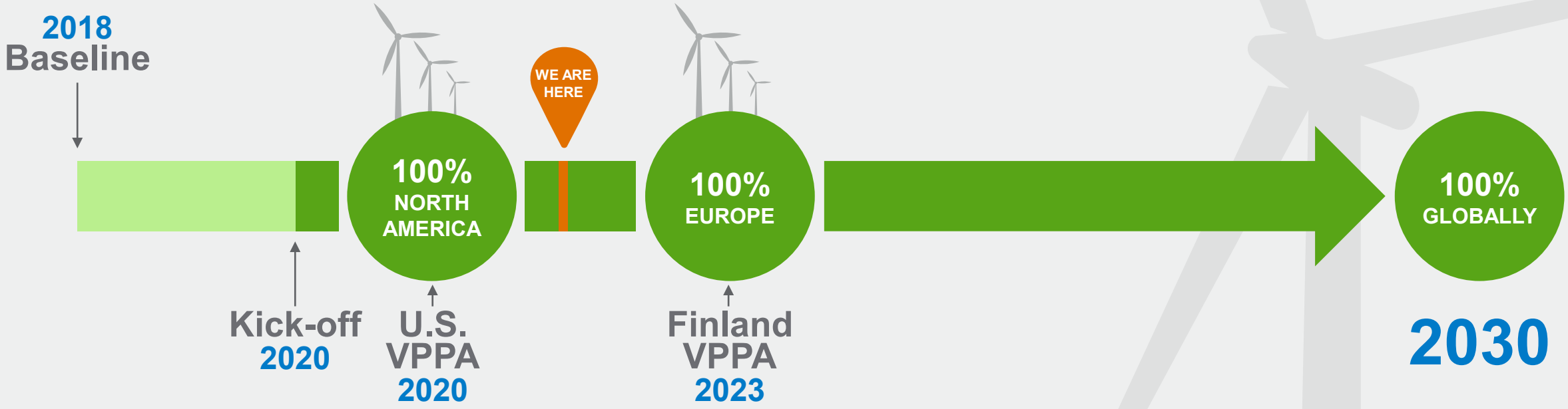



in Lost Time Injury Rate (LTIR) since 2016 in North America

ECOLAB®

2021 Target

# ON PACE TO 100% RENEWABLE ELECTRICITY




**69% TODAY → 80% IN 2023 → 100% BY 2030**

# DELIVERING ON OUR PROMISE WITH CUSTOMERS

## PLANET HEALTH

### WATER

Manage up to
**1.1 TRILLION**
gallons of water

### CLIMATE

Generate up to
**22%**
of the world's power

## PEOPLE HEALTH

### FOOD

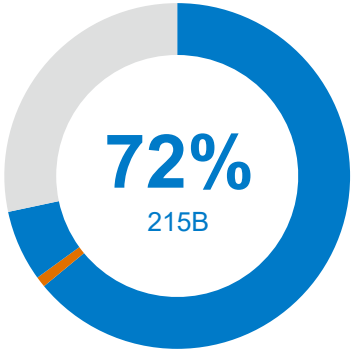
Make up to
**36%**
of the world's processed food

### HEALTH

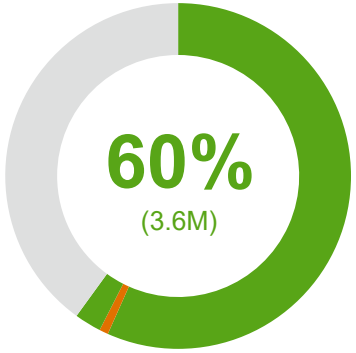
Protect up to
**25%**
of the world's population

## MAKING PROGRESS TOWARD OUR 2030 GOALS IN 2021

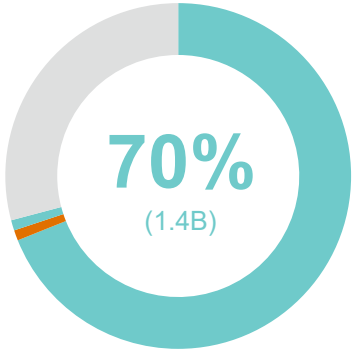
**GOAL:**
**300 BILLION**
gallons of water saved



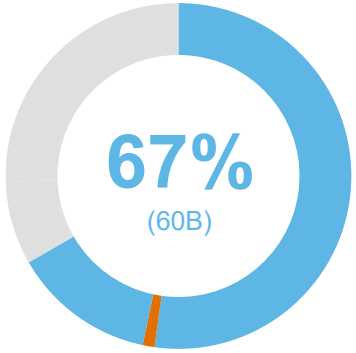

**GOAL:**
**6 MILLION**
metric tonnes of $CO_2e$ avoided




**GOAL:**
**2 BILLION**
people provided high-quality and safe food




**GOAL:**
**90 BILLION**
hands cleaned




2021 Target

# ADVANCING A LEADING ENERGY CUSTOMER'S AMBITION TO BECOME A NET-ZERO EMISSIONS ENERGY BUSINESS

CASE STUDY

A major Ecolab international energy customer set a target to become a net-zero emissions energy business by 2050. Through on-site expertise and technology, Nalco Water—Ecolab's water and process management business—helped the customer reduce environmental impact while continuing to deliver reliable and efficient chemical products.

eROI℠ by Ecolab **>75%**

## ANNUAL SAVINGS

| ENERGY | GREENHOUSE GASES | PROFITABILITY | ASSETS | TOTAL VALUE DELIVERED |
|---|---|---|---|---|
| **815,000** MMBTU | **44,000** metric tons $CO_2e$ | **$6 Million** prevented product loss | **High performance program maintains and protects critical equipment** | **$10.8 Million** |

The results in this case study are specific to this individual customer and may vary for other customers based on factors and circumstances in their operations.

ECOLAB®

# ACCELERATING SUSTAINABLE GROWTH WITH A LEADING F&B CUSTOMER

CASE STUDY

Ecolab's work with a leading F&B customer has achieved substantial reductions in water, energy, and emissions while enhancing productivity across several NA manufacturing facilities. The partnership demonstrates our organizations' shared values, empowering sustainable outcomes as we work together for a healthier world.

eROI℠ by Ecolab **>50%**

## ANNUAL SAVINGS

| WATER | GREENHOUSE GASES | ENERGY | PRODUCTIVITY | TOTAL VALUE DELIVERED |
|---|---|---|---|---|
| **51 Million** gallons | **170** metric tons $CO_2e$ | **1,300** MMBTU | **66** days of increased production | **$1.2 Million** |

The results in this case study are specific to this individual customer and may vary for other customers based on factors and circumstances in their operations.

ECOLAB®

# SOCIAL ACTION




LAURIE MARSH

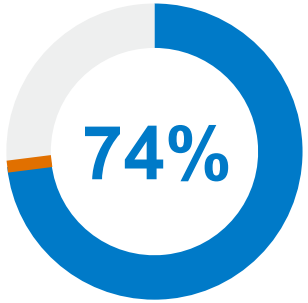
# DELIVERING ON OUR PROMISE IN SOCIAL

| PEOPLE | PLACE | PARTNERS | COMMUNITY |
|---|---|---|---|
| Attract and retain the best | Inclusive growth culture | Better progress together | Invest in what matters |

## PROGRESS TOWARD OUR 2030 GOALS IN 2021

### Management Level Gender and Ethnic/Racial Diversity

GOAL
**35% WOMEN GLOBALLY**
**25% BIPOC U.S.**



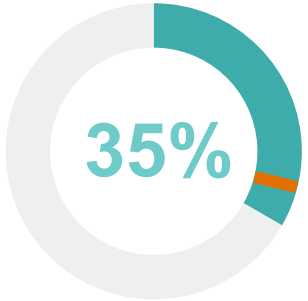

### U.S. Pay Equity by Gender and Race

GOAL
**100%**



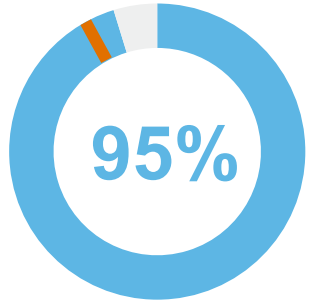

### U.S. Diverse Supplier Spend

GOAL
**5x SPEND**




### Giving Aligned to ESG Goals

GOAL
**80% GIVING**




2021 Target

# PEOPLE: RETAINED OUR TEAM + EXCEEDED OUR GOALS

## Retained our Team in Complex Times

| Overall Retention | Management Retention |
|---|---|
| 87% | 94% |

- We protected pay
- We increased listening
- We expanded offerings
- We made targeted investments smartly

## Exceeded our Representation Goals

Through concrete goals and focus we:

**3.4 ppts**
increase in executive level women globally

**2.9 ppts**
increase in executive level BIPOC in U.S.

### Hired a diverse team in Corporate Accounts

| 32% | 41% | 24% |
|---|---|---|
| Women Globally | Women U.S. | BIPOC U.S. |

# PLACE: INCLUSIVE CULTURE + FUTURE OF WORK

## Furthered our Inclusive Culture

### 2021 Goal Achievements

**100%**
Pay equity in U.S.

**0%**
Difference in BIPOC turnover in U.S. management

### Recognized as Employer of Choice

SERAMOUNT 100 BEST COMPANY 2021

DiversityInc 2022 TOP 50 COMPANIES FOR DIVERSITY

Bloomberg Gender-Equality Index

Forbes 2021 THE BEST EMPLOYERS FOR NEW GRADS

BEST PLACES TO WORK CORPORATE EQUALITY INDEX | 2022

DEI BEST PLACE TO WORK FOR DISABILITY INCLUSION 2021 80% DISABILITY EQUALITY INDEX

## Future of Work for All

### A Shared Experience

| Flexibility | Collaboration |
|---|---|
| We + Me | Deliver together |
| **Connection** | **Well-being** |
| Foster belonging | Whole life wellness |



# PLACE: FOSTERING HIGH ENGAGEMENT

## Agile and frequent listening a key engagement driver

### Our Approach:

- Partner with Humu
- Listen 2x per year
- Fast, nimble insights to make us better
- Ongoing “Nudges” provide targeted actions to improve

### Our Latest Results:



**89%** response rate

| Engagement | Retention | Inclusion |
|---|---|---|
| **79%** | **72%** | **79%** |
| Top of normal range | **Exceeds normal by 2 ppts** | **Exceeds normal by 4 ppts** |

# PARTNERS: GROWING OUR IMPACT TOGETHER

## 2021 Goal Achievements




**Nearly 2x**

Increase in diverse supplier spend vs. 2020

## Exclusive pledge with long-standing partner

Shared Commitment to:

| | | | |
|---|---|---|---|
| Implement DEI strategy | Increase representation | Increase diverse supplier spend | Expand partners and programs |

## Report diversity spend to large customers

P&G, AVENDRA, Yum!, aramark, GSA, MGM RESORTS INTERNATIONAL, Walmart

# GOVERNANCE ACTION




MIKE MCCORMICK

# COMMITTED TO STRONG GOVERNANCE

## BOARD

- **Independent,** well-qualified and engaged
- **Diverse**
  - 42% women
  - 17% BIPOC
- Board-level **Safety, Health and Environment Committee**

## EXECUTIVE COMPENSATION

- **Aligned with stockholder interests**
- **Pay for performance** philosophy
- ESG underlies our business and compensation

## SHAREHOLDER RIGHTS

- **Strong stockholder rights**
  - Annual election of directors
  - Majority vote
  - Proxy access
- **Extensive shareholder engagement**

## DISCLOSURE

- **Transparent disclosure** of corporate governance practices
- **Adopted TCFD** reporting framework
- **Preparing for SEC's** enhanced climate impact disclosures

# DISCLOSURES: AHEAD OF THE GAME

## Ecolab is well-positioned for compliance

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES




**SEC Proposed Rule on Climate-Related Disclosures**



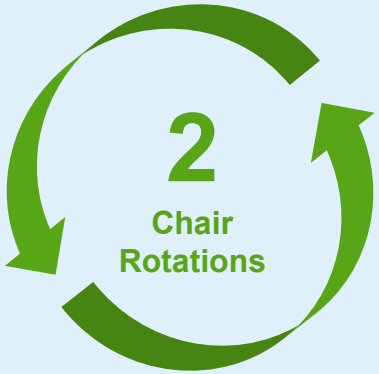
# STRENGTHENING BOARD INDEPENDENCE

## Board independence is critical to good governance

### Updated Corporate Governance Principles

- ✓ Enhanced Lead Independent Director's responsibilities
- ✓ Expanded scope of Committee chair to set agendas
- ✓ Clarified role of Governance Committee in selection of committee members

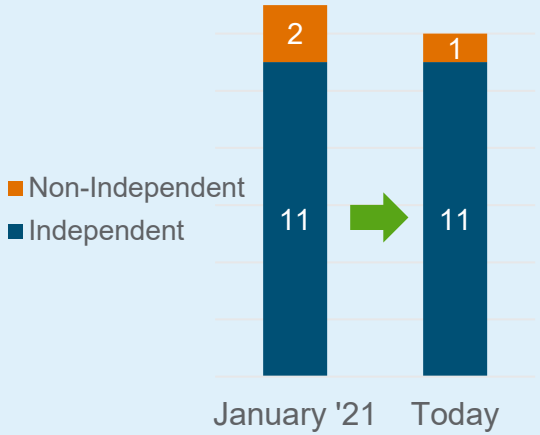
### Committee Chair Rotations




**Rotated 40%** of Committee Chairs in 2021

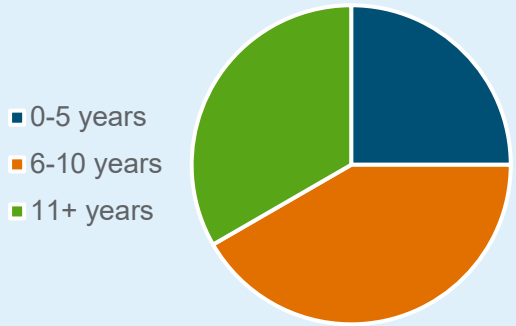
**3 of 5** committees are **women-led**

### Board Make-Up




**85% independent in 2021**
**95% independent in 2022**

### Balanced Director Tenure




**66%** of Directors joined Board **within last 10 years**




# SUSTAINING GROWTH BY DOING GOOD

CHRISTOPHE BECK

# WE DELIVER ON OUR CUSTOMER PROMISES

## PLANET HEALTH

### WATER

Manage up to
**1.1 TRILLION**
gallons of water

### CLIMATE

Generate up to
**22%**
of the world's power

## PEOPLE HEALTH

### FOOD

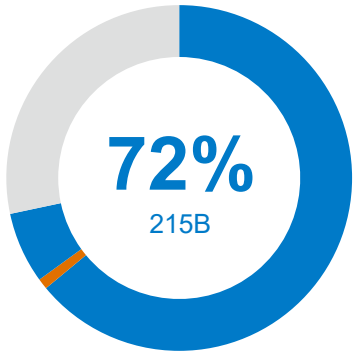
Make up to
**36%**
of the world's processed food

### HEALTH

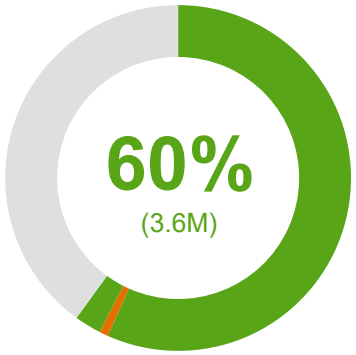
Protect up to
**25%**
of the world's population

## MAKING PROGRESS TOWARD OUR 2030 GOALS IN 2021

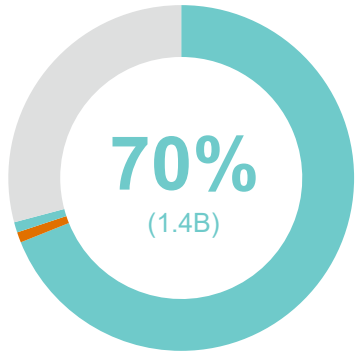
**GOAL:**
**300 BILLION**
gallons of water saved



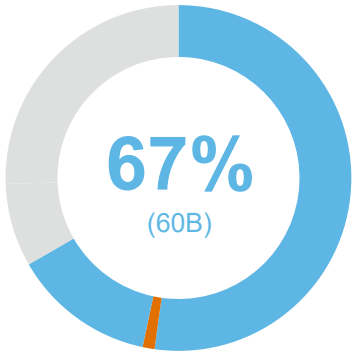

**GOAL:**
**6 MILLION**
metric tonnes of $CO_2e$ avoided




**GOAL:**
**2 BILLION**
people provided high-quality and safe food




**GOAL:**
**90 BILLION**
hands cleaned




2021 Target

# GLOBAL MACRO TRENDS ARE IN OUR FAVOR

## WATER STRESS



**56%**
**freshwater deficit**
by 2030

## FOOD SHORTAGE



**35%**
**more food**
by 2050

## PUBLIC HEALTH



**30%**
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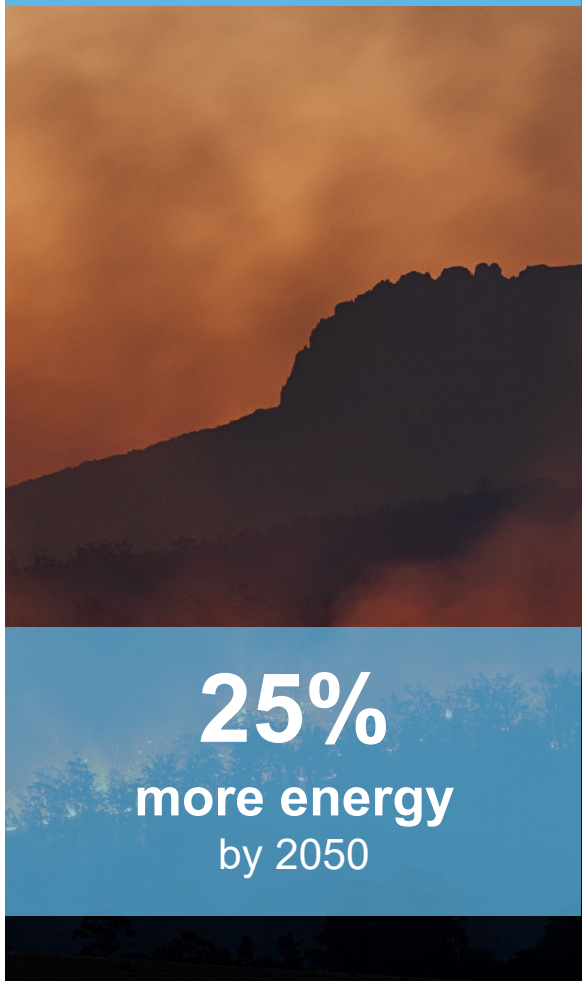
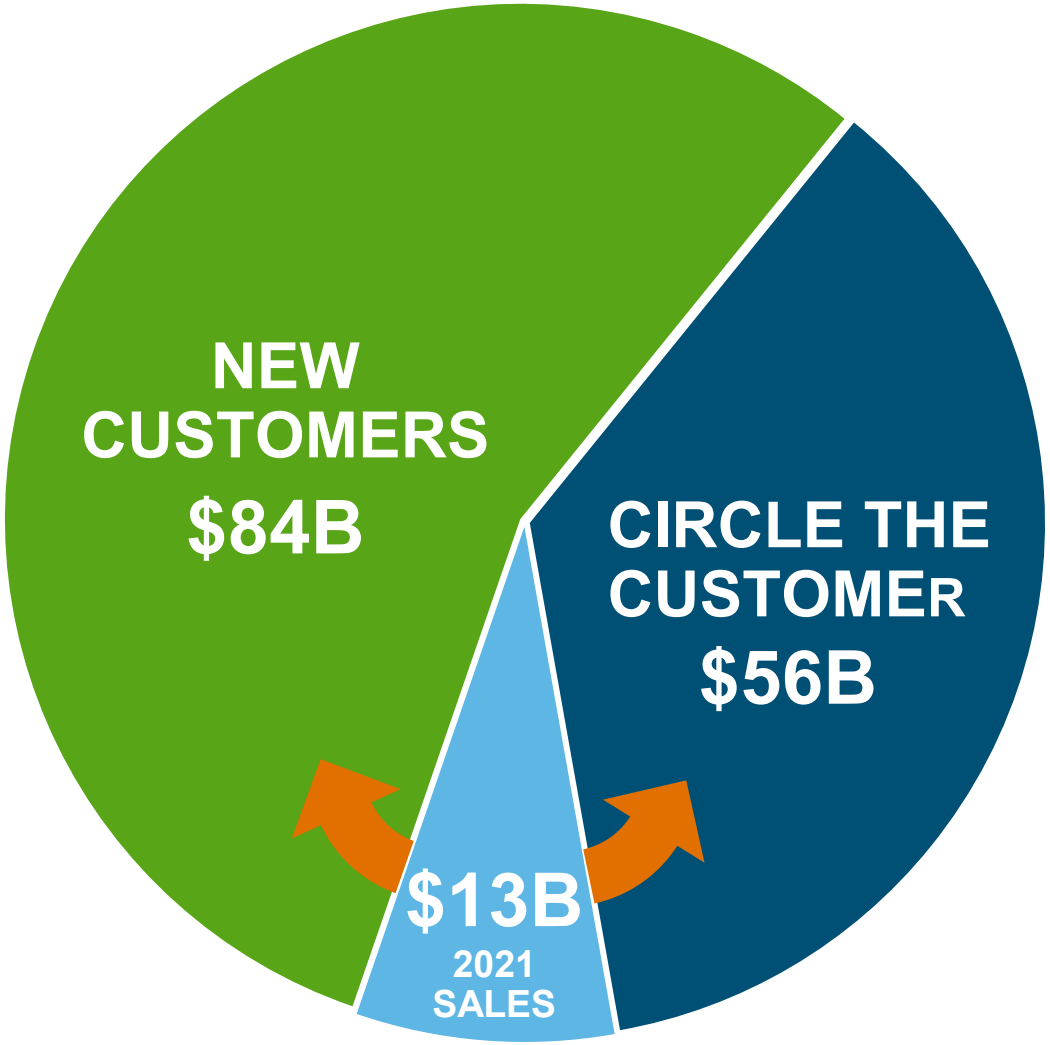


**25%**
**more energy**
by 2050

# OUR MARKET OPPORUNITY IS LARGE AND GROWING

**$152B**
**opportunity**



# WE DELIVER ON OUR PROMISES

## 2030 goals:

### WATER

2030 GOAL

**40%**

reduction in overall water impact

### CLIMATE

2030 GOAL

**50%**

reduction in $CO_2e$

### DIVERSITY, EQUITY, AND INCLUSION

2030 GOAL

**35% and 25%**

management level gender and ethnic/racial diversity, respectively

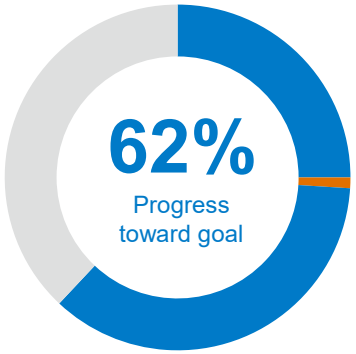
### SAFETY

**GOAL ZERO**

## As of 2021, we:

reduced overall water impact by

**25%**

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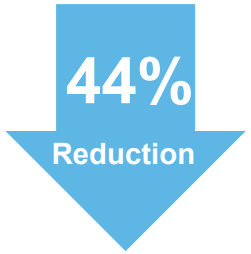
**28%**




grew management level gender and ethnic/racial diversity, respectively, to

**26% and 19%**




in Total Recordable Injury Rate (TRIR) since 2013, globally




in Lost Time Injury Rate (LTIR) since 2016 in North America

ECOLAB®

2021 Target

# DOING WELL BY DOING GOOD

- 6% to 8% organic sales and 15% EPS growth ambition
- $152B market opportunity, leading with 8% share
- Impacting 1 trillion gallons of water and 36% of the world's food
- In 2021, protected enough water for over 700 million people
- 25,000 field experts, serving 3 million customers in 172 countries
- The world’s sustainability company

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